

143, Nays 0, 3 present, not voting; passed by the Senate, with amendments, on May 27, 2015: Yeas 31, Nays 0.

Approved June 19, 2015.

Effective September 1, 2015.

**AUTHORIZING BROKER AGREEMENTS FOR THE SALE OF
REAL PROPERTY HELD IN TRUST BY HOME-RULE
MUNICIPALITIES**

CHAPTER 1110

H.B. No. 3244

AN ACT

**relating to authorizing broker agreements for the sale of real property held in trust
by home-rule municipalities.**

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 253.014(b), Local Government Code, is amended to read as follows:

(b) The governing body of a home-rule municipality may contract with a broker to sell a tract of real property that ~~[is owned by]~~ the municipality:

(1) *owns; or*

(2) *holds in trust and has the authority to sell.*

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Passed by the House on April 30, 2015: Yeas 139, Nays 0, 1 present, not voting; passed by the Senate on May 27, 2015: Yeas 31, Nays 0.

Approved June 19, 2015.

Effective June 19, 2015.

**SCORING CRITERIA FOR AN APPLICATION FOR A LOW
INCOME HOUSING TAX CREDIT AND THE ALLOCATION OF
THOSE CREDITS TO DEVELOPMENTS RESERVED FOR
ELDERLY PERSONS**

CHAPTER 1111

H.B. No. 3311

AN ACT

**relating to the scoring criteria for an application for a low income housing tax credit
and the allocation of those credits to developments reserved for elderly persons.**

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Sections 2306.6710(b) and (f), Government Code, are amended to read as follows:

(b) If an application satisfies the threshold criteria, the department shall score and rank the application using a point system that:

(1) prioritizes in descending order criteria regarding:

(A) financial feasibility of the development based on the supporting financial data required in the application that will include a project underwriting pro forma from the permanent or construction lender;

(B) quantifiable community participation with respect to the development, evaluated on the basis of a resolution concerning the development that is voted on and adopted by the following, as applicable:

(i) the governing body of a municipality in which the proposed development site is to be located;

(ii) subject to Subparagraph (iii), the commissioners court of a county in which the proposed development site is to be located, if the proposed site is to be located in an area of a county that is not part of a municipality; or

(iii) the commissioners court of a county in which the proposed development site is to be located and the governing body of the applicable municipality, if the proposed site is to be located in the extraterritorial jurisdiction of a municipality;

(C) the income levels of tenants of the development;

(D) the size and quality of the units;

(E) ~~the commitment of development funding by local political subdivisions;~~

~~(F)~~ the rent levels of the units;

~~(F)~~ ~~(G)~~ the cost of the development by square foot;

~~(G)~~ ~~(H)~~ the services to be provided to tenants of the development;

~~(H)~~ ~~(I)~~ whether, at the time the complete application is submitted or at any time within the two-year period preceding the date of submission, the proposed development site is located in an area declared to be a disaster under Section 418.014;

~~(I)~~ ~~(J)~~ quantifiable community participation with respect to the development, evaluated on the basis of written statements from any neighborhood organizations on record with the state or county in which the development is to be located and whose boundaries contain the proposed development site; and

~~(J)~~ ~~(K)~~ the level of community support for the application, evaluated on the basis of a written statement from the state representative who represents the district containing the proposed development site;

(2) uses criteria imposing penalties on applicants or affiliates who have requested extensions of department deadlines relating to developments supported by housing tax credit allocations made in the application round preceding the current round or a developer or principal of the applicant that has been removed by the lender, equity provider, or limited partners for its failure to perform its obligations under the loan documents or limited partnership agreement; and

(3) encourages applicants to provide free notary public service to the residents of the developments for which the allocation of housing tax credits is requested.

(f) In evaluating the level of community support for an application under Subsection ~~(b)(1)(J)~~ ~~(b)(1)(K)~~, the department shall award:

(1) positive points for positive written statements received;

(2) negative points for negative written statements received; and

(3) zero points for neutral statements received.

SECTION 2. Section 2306.6711, Government Code, is amended by adding Subsections (h) and (i) to read as follows:

(h) Notwithstanding Section 2306.6710(d), and except as necessary to comply with the nonprofit set-aside required by Section 42(h)(5), Internal Revenue Code of 1986 (26 U.S.C. Section 42(h)(5)), the board may not allocate to developments reserved for elderly persons and located in an urban subregion of a uniform state service region a percentage

of the available housing tax credits allocated to developments located in that subregion that is greater than the percentage that results from the following formula, unless there are no other qualified applicants in that region:

$$MP = [(LEH - ERU) / (TLH - TEU)] \times 100$$

where:

“MP” is the maximum percentage of the available housing tax credits allocated to developments in the subregion that may be allocated to developments reserved for elderly persons;

“LEH” is the number of low income elderly households in the subregion;

“ERU” is the number of existing units reserved for elderly persons in developments located in the subregion that already receive housing tax credits;

“TLH” is the total number of low income households in the subregion; and

“TEU” is the total number of existing units in developments located in the subregion that already receive housing tax credits.

(i) Subsection (h) applies only to a uniform state service region that contains a county with a population of more than one million.

SECTION 3. Section 2306.6725, Government Code, is amended by amending Subsections (a) and (d) and adding Subsections (e) and (f) to read as follows:

(a) In allocating low income housing tax credits, the department shall score each application using a point system based on criteria adopted by the department that are consistent with the department's housing goals, including criteria addressing the ability of the proposed project to:

- (1) provide quality social support services to residents;
- (2) demonstrate community and neighborhood support as defined by the qualified allocation plan;
- (3) consistent with sound underwriting practices and when economically feasible, serve individuals and families of extremely low income by leveraging private and state and federal resources, including federal HOPE VI grants received through the United States Department of Housing and Urban Development;
- (4) serve traditionally underserved areas;
- (5) demonstrate support from local political subdivisions based on the subdivisions' commitment of development funding;
- (6) remain affordable to qualified tenants for an extended, economically feasible period; and
- (7) ~~[(6)]~~ comply with the accessibility standards that are required under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), and specified under 24 C.F.R. Part 8, Subpart C.

(d) For each scoring criterion, the department shall use a range of points to evaluate the degree to which a proposed project satisfies the criterion. The department may not award:

- (1) a number of points for a scoring criterion that is disproportionate to the degree to which a proposed project complies with that criterion; or
- (2) to a proposed project for the general population a number of points for a scoring criterion that is different than the number of points awarded for that criterion to a proposed project reserved for elderly persons if the proposed projects comply with the criterion to the same degree.

(e) In establishing for the 2016 and 2017 qualified allocation plans the scoring criterion related to the commitment of development funding by local political subdivisions, the department shall significantly reduce for each place regardless of population the amount in funding, per low income unit, that is required for a proposed project to receive the applicable number of points for that criterion. After the reduction, the amount of required funding may be a de minimis amount.

(f) Subsection (e) and this subsection expire September 1, 2019.

SECTION 4. (a) The change in law made by this Act to Section 2306.6711, Government Code, applies only to the allocation of low income housing tax credits for an application cycle that begins on or after the effective date of this Act. The allocation of low income housing tax credits for an application cycle that begins before the effective date of this Act is governed by the law in effect on the date the application cycle began, and the former law is continued in effect for that purpose.

(b) The change in law made by this Act to Sections 2306.6710 and 2306.6725, Government Code, applies only to an application for low income housing tax credits that is submitted to the Texas Department of Housing and Community Affairs during an application cycle that begins on or after the effective date of this Act. An application that is submitted during an application cycle that began before the effective date of this Act is governed by the law in effect at the time the application cycle began, and the former law is continued in effect for that purpose.

SECTION 5. This Act takes effect September 1, 2015.

Passed by the House on May 8, 2015: Yeas 123, Nays 19, 2 present, not voting; the House concurred in Senate amendments to H.B. No. 3311 on May 28, 2015: Yeas 128, Nays 16, 2 present, not voting; passed by the Senate, with amendments, on May 26, 2015: Yeas 28, Nays 3.

Approved June 19, 2015.

Effective September 1, 2015.

**AUTHORIZATION BY THE TEXAS HIGHER EDUCATION
COORDINATING BOARD FOR CERTAIN PUBLIC JUNIOR
COLLEGES TO OFFER BACCALAUREATE DEGREE
PROGRAMS**

CHAPTER 1112

H.B. No. 3348

AN ACT

relating to authorization by the Texas Higher Education Coordinating Board for certain public junior colleges to offer baccalaureate degree programs.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 130.0012, Education Code, is amended by adding Subsections (b-1), (b-2), (b-3), (k), and (l) to read as follows:

(b-1) *The coordinating board shall establish a pilot project to examine the feasibility and effectiveness of authorizing baccalaureate degree programs in the field of dental hygiene at a public junior college that offers a degree program in that field, has a main campus located in the county seat of a county with a population greater than 200,000, and includes territory in at least six public school districts located in two counties. Subsection (g) does not apply to junior-level and senior-level courses offered under this subsection. In its recommendations to the legislature relating to state funding for public junior colleges, the coordinating board shall recommend that junior-level and senior-level courses offered under this subsection by a public junior college receive the same state support as other courses offered by the public junior college.*

(b-2) *Not later than January 1, 2017, the coordinating board shall prepare a progress report on the pilot project established under Subsection (b-1). Not later than January 1, 2019, the coordinating board shall prepare a report on the effectiveness of the pilot project, including any recommendations for legislative action regarding the offering of baccalaureate degree programs in the field of dental hygiene by a public junior college. The coordinating board shall deliver a copy of each report to the governor, the lieutenant*